

LEGISLATIVE AUDIT DIVISION

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TO: Legislative Audit Committee Members
CC: John Mercer, Chair, Montana Board of Regents
Sheila Stearns, Commissioner of Higher Education
FROM: Jim Pellegrini, Deputy Legislative Auditor, Performance Audits
DATE: February 2006
RE: Follow-up to Performance Audit: Transfer of Credits, Montana University System (MUS), (orig. 04P-06)

Introduction

In December 2004, we presented our performance audit on Transfer of Credits to the Legislative Audit Committee. The audit report made six recommendations to the Board of Regents. This memorandum and the attached materials will present background information on the actions taken and implementation status of each recommendation.

Overview

Audit recommendations focused on increasing consistency in MUS transfer policies and procedures. The Board of Regents in consultation with MUS professionals has fully implemented four recommendations relating to system-wide controls, standardized LPN transfers, and ongoing monitoring of transfer policies. The Regents are in the process of implementing the recommendation on coordinating two-year activities. After further evaluation and input from the campuses and students, the Regents have determined the recommendation relating to a cumulative GPA should not be implemented. Changes in controls have been made and formalized for all campuses. Input was gathered from all stakeholders and important changes/improvements have been made. Further audit work is not needed at this time. To evaluate the effect of the implemented changes would require follow-up one to two years after implementation.



MONTANA UNIVERSITY SYSTEM
OFFICE OF COMMISSIONER OF HIGHER EDUCATION

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TO: Scott Seacat
Legislative Auditor

FROM: Sheila Stearns
Commissioner of Higher Education

DATE: December 12, 2005

RE: Follow-Up to the "Transfer of Credits" Performance Audit

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The Board of Regents for the Montana University System took the following actions, in response to the Transfer of Credits Performance Audit issued by the Legislative Audit Division in December 2004:

- 1) Audit Recommendation 1: **We recommend the Board of Regents implement a system of controls to promote standards for student transfers throughout the MUS which include: A. Establishing time guidelines for completing transfer of credit evaluations; and B. Clearly documenting credit transfer decisions in a centralized location.**

The Board of Regents for the Montana University System has implemented the recommendation. The Board adopted a policy, in March 2005, that establishes deadlines for evaluation of transfer credits, documentation of those evaluation decisions, identification of the evaluators, and centralization of all records concerning evaluation of transfer student coursework. The policy went into effect at the start of Fall Semester 2005 in the Montana University System. An electronic version of the policy is available at the following web address:

<http://www.montana.edu/wochelp/borpol/bor300/301-5-1.htm>

At this point, it is difficult to determine any estimated savings or costs resulting from the policy implementation. Some of the campuses may have to hire additional personnel to comply with the deadlines established in the policy.

- 2) Audit Recommendation 2: **We recommend the Board of Regents: A. Periodically collect transfer data to assess system-wide policy compliance; and B. Utilize reported data to make informed decisions.**

The Board of Regents for the Montana University System has implemented the recommendation. The Board approved an assessment plan, in September 2005, to monitor campus compliance with the new transfer policies, and also to determine their effectiveness. A paper copy of that assessment plan is attached to this memorandum. The assessment plan will be implemented during the 2005 – 2006 academic year.

No additional costs or savings are anticipated with this assessment plan. Campus personnel will add the data collection responsibilities to their current work responsibilities.

- 3) **Audit Recommendation 3: We recommend the Board of Regents clarify and enforce the MUS general education core policy.**

The Board of Regents for the Montana University System has implemented the recommendation. The Board adopted a policy, in May 2005, that sets out three (3) distinct avenues that transfer students can use to satisfy the lower division general education requirements on all of the campuses. The policy went into effect immediately upon its adoption in May. An electronic version of the policy is available at the following web address:

<http://www.montana.edu/wochelp/borpol/bor300/30110.htm>

No additional savings or costs are anticipated for the Montana University System with the adoption of this policy. Hopefully, students and parents will save money because of the need to take fewer classes under the policy guidelines.

- 4) **Audit Recommendation 4: We recommend the Board of Regents develop transfer of credits policies to coordinate two-year transfer activities, specifically in relation to transfer courses from an Associate of Applied Science degree.**

The recommendation is being implemented by the Board of Regents of the Montana University System. The Board adopted a policy, in May 2005, that clarifies the differences between Associate of Arts, Associate of Science and Associate of Applied Science degrees. The policy also sets out the parameters of those two-year degrees, including number of credits and general education coursework. The policy went into effect immediately upon its adoption in May. An electronic version of the policy is available at the following web address:

<http://www.montana.edu/wochelp/borpol/bor300/301-12.htm>

Full implementation of the recommendation may be difficult, because Associate of Applied Science degrees, and the coursework required for those degrees, are intended to prepare students for immediate employment. The degree is not intended to be a transfer degree, except when a student decides to complete the requirements for a Bachelor of Applied Science credential, which is offered at five of the six four-year campuses in the Montana University System. Nevertheless, the Board of Regents, the Office of the Commissioner of Higher Education and the Two-Year Council of the Board have agreed to work on the appropriateness and transferability of A.A.S. coursework. In an effort to comply with the concerns of the transfer audit, two-year computer, business and healthcare degrees will be reviewed first. That review could take up to two years to reach some agreement on all of those degree programs.

The project described above will require a significant expenditure of money on the part of either the Office of the Commissioner of Higher Education or the individual campuses that make up the Montana University System. Faculty in the above-described programs will need to work together to develop so-called common coursework, or individual program and institutional articulation agreements, and both of those activities require communication expenses, possible release time or reassignment of duties for faculty, and possible travel. The estimated cost of such an effort could be as much as \$2,000/degree program.

5) **Audit Recommendation 5: We recommend the Board of Regents develop policy addressing: Criteria for outdated coursework. . .**

The Board of Regents for the Montana University System has implemented the recommendation. The Board adopted a policy, in March 2005, guaranteeing that coursework completed in the last five (5) years will be reviewed for possible use in a student's specific program of study; and coursework completed in the last fifteen (15) years will be reviewed for possible use in a student's general education program or as elective coursework. The policy went into effect immediately upon its adoption in March. An electronic version of the policy is available at the following web address:

<http://www.montana.edu/wochelp/borpol/bor300/301-5-2.htm>

No additional costs or savings are anticipated with this policy.

Audit Recommendation 5, cont.: We recommend the Board of Regents develop policy addressing: Transfer of cumulative GPA. . .

The Board of Regents for the Montana University System has not implemented the recommendation. After significant review and discussion of this recommendation, the Board of Regents decided not to adopt a policy that establishes a cumulative grade point average for students in the Montana University System. At the present time, the grade point average that appears on a student's official transcript is based on the courses he/she has attempted at the current institution. It does not include transfer coursework. Student opinion about a cumulative grade point average was sharply divided among students, because the current practice gives them a "fresh start" on their academic career, if previous difficulties are not included. Most faculty also felt very strongly that an institution's transcript should only reflect the grades earned at that institution. Based on that discussion, the Board decided not to implement this recommendation.

Audit Recommendation 5, cont.: We recommend the Board of Regents develop policy addressing: Minimum course grades.

The Board of Regents for the Montana University System has implemented the recommendation. The Board adopted a policy, in May 2005, requiring students to earn a C- or better in program of study courses; C- or better in general education courses; and D- or better in elective courses. Individual programs can establish stricter expectations. The Board also decided that all campuses will adopt a grading system that includes the use of plus/minus grading. The policy went into effect Fall Semester 2005. An electronic version of the policy is available at the following web address:

<http://www.montana.edu/wochelp/borpol/bor300/301-5-3.htm>

No additional costs or savings are anticipated with this policy.

- 6) **Audit Recommendation 6: We recommend the Board of Regents develop a transfer policy for LPN programs that at a minimum standardizes: A. Number of credits required; B. Type of degree awarded; and C. Program transfer agreements.**

The Board of Regents for the Montana University System has implemented the recommendation. The Board adopted a model for all Licensed Practical Nursing programs, in May 2005, that sets the credit total at 52; specifies that the degree will be a certificate; and establishes a common set of pre-nursing and LPN nursing courses, including course name and credit amount. The model also establishes a common set of nursing courses for those Registered Nursing programs in the System that also offer an LPN certificate. The model will be implemented on all of the campuses that offer an LPN credential by Fall 2006 or 2007. The implementation will require several steps, including approval of the new degree requirements by the faculty curriculum review process on each campus, review and approval by the State Board of Nursing, and a final review by the Montana Board of Regents. An electronic version of the curriculum model, and the implementation plans for the campuses, is available at the following web address:

<http://mus.montana.edu/asa/Nursing.htm>

The new model will almost certainly cost more. Many of the campuses of the Montana University System will have to develop new courses to satisfy the requirements of the model. They may have to hire nursing faculty, for the LPN programs, with more educational credentials. At this point, those costs are speculative, but they could run as high as \$50,000 - \$100,000 more per year for each Licensed Practical Nursing program in the System.

1 attachment

✓Cc: Angie Grove, Manager of Performance Audits, Legislative Audit Division

The Legislative Audit on Transfer of Credit practices called for an assessment plan to monitor the effectiveness of any policies adopted in response to the audit. An assessment plan was adopted by the Montana Board of Regents in September 2005, and the details of that plan are set out below, based on each policy or Item that was approved by the Regents. The assessment expectations are as follows:

System of Controls, Policy 301.5.1:

- 1) Each campus will prepare an annual report for the Office of the Commissioner of Higher Education that contains the following information:
 - a) number of Montana University System transfer applications received before the priority deadline.
 - b) number of Montana University System transfer applications received after the priority deadline.
 - c) number and percentage of (a) above who are notified of receipt of the application within five days.
 - d) number and percent of (a) above who are notified of the admission decision, total credits transferred, and the transferability of the student's general education credits within 10 days of the receipt of the completed application and required documents.
 - e) number and percent of (a) above who are notified of the final credit decision for purposes of his/her major, minor, option and/or certificate before the last day on which it is possible to add classes, if degree plans are identified.
 - f) number and percent of (b) above who receive a complete transfer evaluation prior to the first day of pre-registration for the following semester.
- 2) Each campus will also perform the following **in-house** assessment and procedure activities:
 - a) fully implement, utilize and regularly update the Transfer Articulation Module in Banner.
 - b) establish a central office, where all responses to and from students and academic entities on the campus will flow.
 - c) publish a complete policy statement describing the evaluation of transfer credits as well as a procedure manual delineating the complete procedure by which transcripts are evaluated.
 - d) perform random, periodic audits of transfer student transcripts to monitor compliance with the policy.
 - e) conduct a periodic review of transfer credit appeals to detect situations where credits have not been appropriately assigned and evaluated.

Outdated Coursework, Policy 301.5.2:

- 1) Each campus will perform the following **in-house** assessment procedures:
 - a) perform random, periodic audits of transfer student transcripts to monitor compliance with the policy.
 - b) conduct a periodic review of transfer credit appeals to detect situations where credits have not been appropriately assigned and evaluated.

Minimum Grades, Policy 301.5.3:

- 1) Each campus will complete the following **in-house** assessments and procedures:
 - a) establish procedures and policies to comply with the minimum grade expectations of the policy, particularly as they apply to graduating students.
 - b) conduct periodic audits of graduating student transcripts to determine if the expectations of the policy are being followed.
 - c) insure that all programs that require more than the minimum grades specified in the policy are on file with the Office of the Commissioner of Higher Education.
 - d) conduct periodic reviews of transfer appeal documents and graduation petitions to insure compliance with the policy, and the filing requirement described in part c) above.
 - e) complete the necessary program modifications to Banner to insure that the correct values are assigned to letter grades, especially grades with a "+" or "-."
 - f) publish a good-faith summary of the policy in appropriate campus materials so students are aware of its details.

General Education Transfer Practices, Policy 301.10:

- 1) Each campus will collect the following information, and report it to the Office of the Commissioner of Higher Education, when asked:
 - a) the number and percentage of incoming undergraduate transfer students from Montana University System institutions who have completed the lower division coursework in an approved general education program at one of the MUS institutions.
 - b) total number of incoming undergraduate transfer students from Montana University System institutions.
 - 1) the number and percentage of students in part (b) above who have completed less than 20 general education credits and are not eligible, therefore, for the MUS core transfer program.
 - 2) the number and percentage of students who might be eligible for the MUS core transfer program. This number is the difference between b) and b.1) above.
 - 3) the number and percentage of students in b.2) above who complete the MUS core.
 - 4) the number and percentage of students in b.2) above who complete the approved general education program at their new campus.
 - c) the number of incoming undergraduate transfer students who have completed an Associate of Arts or Associate of Science degree at a Montana University System institution.
- 2) Each campus will also publish information about these three pathways, so transfer students know how they can satisfy the lower division general education requirements in the Montana University System.

Undergraduate Degree Requirements; Associate Degrees and Certificates of Applied Science, **Policy 301.12:**

- 1) Each campus will review its current Associate of Science, Associate of Arts and Associate of Applied Science degree offerings to insure that they are in compliance with the policy. Any degree programs that are not in compliance with the policy must be changed, except for those programs that are described in part 2), below.
- 2) Exceptions to the certificate and two-year degree requirements set out in this policy must be approved by the Montana Board of Regents. An inventory of such Regent-approved programs will be maintained by the Office of the Commissioner of Higher Education.

Licensed Practical Nursing Programs, **ITEM 128-101-R0905:**

- 1) Each licensed practical nursing program must comply with the model curriculum approved by the Montana Board of Regents in May 2005. If a program is in compliance, it will award a certificate to successful graduates in the program; include only 50 credits in the LPN program; adopt the 24-credit pre-nursing courses outlined in the model; and adopt the 26-credit nursing courses described in the model.
- 2) Each nursing program in the Montana University System will also prepare an annual report for the Montana Board of Regents that contains the following information, if the information is applicable to the program:
 - a) three, four and five-year completion rates for the program.
 - b) retention rates for students admitted to an LPN or RN program.
 - c) the number of students who complete an LPN program and do not continue into an RN program, under the so-called "stop out point."
 - d) the number of students who continue past the "stop out point" and enter an RN program.
 - e) pass rates on the nursing licensure examination.
 - f) the number of students who transfer between Montana University System nursing programs.